MANITOBA

ANNUAL REPORT

1981-82

The Co-operative Loans and Loans Guarantee Board

MANITOBA

MINISTER OF CO-OPERATIVE DEVELOPMENT

WINNIPEG R3C 0V8

Her Honour P. McGonigal,
Lieutenant-Governor of Manitoba,
Government House,
10 Kennedy Street,
Winnipeg, Manitoba

May It Please Your Honour:

I have the privilege to present for the information of Your Honour, the Annual Report of The Co-operative Loans and Loans Guarantee Board for the fiscal year ended March 31st, 1982.

Respectfully submitted,

John M. Bucklaschuk

John M. Bucklaschuk,
Minister of Co-operative Development.

CO-OPERATIVE LOANS & LOANS GUARANTEE BOARD

Room 336,
Legislative Building,
Winnipeg, Manitoba

Phone: 944-3748

Honourable J. M. Bucklaschuk,
Minister of Co-operative
Development,
Room 156, Legislative Building,
Winnipeg, Manitoba

Dear Sir:

On behalf of the Board of Directors, I have the pleasure to present to you the Annual Report of The Co-operative Loans and Loans Guarantee Board for the fiscal year ended March 31st, 1982.

Respectfully submitted,

R. P. Pozernick,
Acting Chairman.

MEMBERS OF

THE CO-OPERATIVE LOANS AND LOANS GUARANTEE BOARD

MARCH 31, 1982

R. M. Brighty, Chairman	-	Winnipeg, Manitoba
V. Hryshko, Secretary	-	Winnipeg, Manitoba
R. Balcaen	-	Winnipeg, Manitoba
J. Bodnar	-	The Pas, Manitoba
A. Friesen	-	Grosse Isle, Manitoba

THE CO-OPERATIVE LOANS AND LOANS GUARANTEE BOARD

Mandate:
By provision of The Co-operative Loans and Loans Guarantee Act, the Board was established by Order-in-Council 1237/71 dated November 18, 1971.

The Board consists of the Deputy Minister of Co-operative Development, who serves as Chairman; one other person from the Department of Co-operative Development, designated by the Minister, who serves as Secretary; and three other persons appointed by the Lieutenant-Governor-in Council.

One of the basic objectives is to ensure that co-operative organizations have access to the basic financial, managerial, professional and technical services necessary for the development and expansion of viable enterprises to achieve the greatest benefit through economic activity.

The Board is empowered to make loans or guarantee loans to co-operative organizations in Manitoba. To be eligible for such a loan or loan guarantee, a co-operative must demonstrate that:

1. the loan or guarantee is not solely for refinancing;
2. the required financing is not available from other sources on reasonable terms;
3. the loan or loan guarantee is required to assist the Association in carrying out its programs and is for productive purposes;
4. normal co-operative principles and business practices are being observed; and
5. reasonable security is available to the lender.

All activities of the Board are administered by the Development Branch of the Department of Co-operative Development.

BOARD ACTIVITIES:

During the year ended March 31, 1982, the Board approved an application by Mancorn Sales Co-op Ltd., and made an offer of a loan guarantee of up to $100,000 to assist in the construction and operation of a primary elevator in Carman, Manitoba, which would provide storage, shipping, cleaning, grading, marketing and administrative services to the main corn producing area of Manitoba. This offer was not acted upon by the applicant and was withdrawn by the Board. The facility was however built and is operating under a different corporate structure.

The Board also approved a motion to transfer the title to the Leaf Rapids Fish Plant from the Board to the Department of Co-operative Development. This action is presently pending, and when completed, would facilitate better utilization of plant assets and revenues.

A guarantee to Independent Co-operative Enterprises Inc., was reduced from $20,000 to $3,000 subsequent to this co-operative having filed a notice of intent to dissolve.

The Board also approved an application by Northern Co-operative Services Ltd., for an extension of an existing loan guarantee in the amount of $40,000 for a further period of one year, ending March 31st, 1983.

A loan guarantee on behalf of Manitoba Co-operative Honey Producers Limited was cancelled by the Board upon request and advice of this co-operative that this guarantee was no longer required.

This, together with other regular loan repayments during the year amounted to $313,475. Total guarantees outstanding as at March 31st, 1982 were $159,941.

Amount of direct loan to Seymourville Consumers' Co-operative Ltd. was reduced by $799.00, with both the principal and the interest of $484.00 having been paid to the Province.

Proceeds from the lease of the Leaf Rapids Fish Plant during the year ended March 31st, 1982 amounted to $30,812 and have been paid to the Province.

All outstanding loans and loan guarantees were monitored regularly during the year by the Development Branch of the Department of Co-operative Development, and all payments were up to date during the period.

A copy of the Provincial Auditor's Report on The Co-operative Loans and Loans Guarantee Board for the fiscal year ended March 31st, 1982 is attached.

THE CO-OPERATIVE LOANS AND LOANS GUARANTEE BOARD

Auditor's Report and Schedule of Loan Guarantees
for the year ended March 31, 1982

PROVINCE OF MANITOBA
PROVINCIAL AUDITOR

MANITOBA

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PROVINCIAL AUDITOR

THE CO-OPERATIVE LOANS AND LOANS GUARANTEE BOARD

AUDITOR'S REPORT

I report that the records of The Co-operative Loans and Loans Guarantee Board have been examined under my direction for the year ended March 31, 1982. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

The particulars of the loan and loan guarantee transactions of the Board for the year ended March 31, 1982 are shown in the attached schedule. All administration expenses of the Board were paid by the Province of Manitoba from its appropriations.

In our opinion, the Schedule of Loan and Loans Guarantee Transactions presents fairly the transactions of the Board for the year ended March 31, 1982.

W. K. Ziprick, C.A.,
Provincial Auditor.

October 6, 1982,
Winnipeg, Manitoba.

THE CO-OPERATIVE LOANS AND LOANS GUARANTEE BOARD

Schedule of Loan and Loans Guarantee Transactions for the year ended March 31, 1982

	Guarantees Outstanding at March 31, 1981	Cancellations	Guarantees Outstanding at March 31, 1982
Loans Guarantees:			
Boni Co-op Limited	$ 47,128	$ 28,281	$ 18,847
Grand Rapids Consumers Co-op Ltd.	27,346	9,252	18,094
Independent Co-operative Enterprises Inc.	20,000	17,000	3,000
Manitoba Co-operative Honey Producers Limited	238,942	238,942	-
Northern Co-operative Services Ltd.	40,000	-	40,000
Elm Creek and Community Co-operative Recreation Association Inc.	100,000	20,000	80,000
	$ 473,416	$ 313,475	$ 159,941
Loan:			
Seymourville Consumers Co-op Ltd. (Note 1)	$ 4,968	$ 799	$ 4,169

Notes:

1. The principal repayment of $799 on the loan outstanding and the interest earned on the loan for the year ended March 31, 1982 of $484 have been paid to the Province.

2. The Board previously obtained title to fixed assets owned by the South Indian Lake Co-op. Fisheries Ltd. During the year ended March 31, 1982 the Board obtained proceeds of $30,812 from the rental of the fish processing plant. The proceeds have been paid to the Province.